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RUEHSH/AMCONSUL SHENYANG 4917  
RUEKJCS/SECDEF WASHINGTON DC  
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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000221

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DEPT FOR EAP/TC

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TAGS: PINR ECON EINV ETRD PGOV PREL TW

SUBJECT: TAIWAN'S NEW VICE PREMIER TSAI ING-WEN -  
BIOGRAPHIC INFORMATION (C-AL5-01647)

REF: A. STATE 9738

¶B. TAIPEI 197

Classified By: AIT Director Douglas H. Paal, Reason 1.4 d

¶1. (SBU) Summary. On January 19, Legislator Tsai Ing-wen (DPP) was named Vice Premier. Tsai, elected as a legislator-at-large for the Democratic Progressive Party (DPP) in December 2004, will take charge of economic and financial issues after the latest cabinet shuffle by President Chen Shui-bian. With her background as Mainland Affairs Council (MAC) Chair from 2000 to 2004, she may have more influence on cross-Straight issues than any previous Vice Premier. Tsai is viewed as extremely capable and very persuasive. She is a tenacious negotiator, who will strongly support President Chen's policies. End summary.

Economic Experience

¶2. (U) Tsai Ing-wen was named Vice Premier on January 19 shortly after President Chen Shui-bian appointed former Presidential Office Secretary General Su Tseng-chang as Premier. Local observers believe that the selection of Tsai is aimed at shoring up the new cabinet's economic and

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financial credentials, which Su lacks. Both Tsai and Su graduated from the law school of National Taiwan University. However, Tsai subsequently acquired impressive economic experience.

¶3. (U) After National Taiwan University, Tsai earned a Masters of Law (LL.M.) from Cornell University in 1980. She went on to earn a doctorate (Doctor of Juridical Science) from the London School of Economic and Political Science in 1984. Before joining the first DPP-ruling Executive Yuan (EY) to serve as MAC Chair in May 2000, Tsai served as a law professor at National Chengchi University and Soochow University for 16 years where her teaching mainly focused on international trade law.

¶4. (U) During her stint as a professor, the Central Bank of

China and the Ministry of Economic Affairs contracted with Tsai to serve as an advisor to help Taiwan prepare for

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accession to the General Agreement on Tariff and Trade (GATT), the predecessor of the World Trade Organization. At the same time, she was appointed commissioner on both the Fair Trade Commission (1995-1998) and the International Trade Commission (1993-May 2000). Tsai was a member of the Advisory Committee of the Copyright Commission under the Ministry of Interior (1997-1999) and a senior advisor for economic issues to the National Security Council (1999 - May 2000).

Strong Influence on Cross-Straight Issues

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¶15. (U) Tsai is expected to have more influence on cross-Straight issues than any previous Vice Premier. She played a key role in the formulation of cross-Straight policy even before becoming MAC Chair after the DPP Party took power in May 2000. Tsai was Chair of the Drafting and Research Panel on Hong Kong and Macau Relations Act (1994-1995). She was a MAC Advisory Committee member (1994-1998). She was a spokesman during C. F. Koo's visit to China in 1998 as Chair of the Strait Exchange Foundation (SEF).

¶16. (SBU) A close advisor to former President Lee Teng-hui, Tsai is credited as the intellectual source of his "special

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state-to-state" policy for relations with the PRC. As MAC Chair, she was also the mastermind behind President Chen Shui-bian's "active opening, effective management" policy for cross-Straight economic exchanges adopted in late 2001. More recently, she is the architect of Taiwan government efforts to pursue a free trade agreement with the United States (and other major trading partners).

Tough and Persuasive

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¶17. (U) Tsai was one of the few cabinet members who won the respect of members of the Legislative Yuan (LY) during her tenure as MAC Chair. She was tough but expressed herself clearly and persuasively in defending the administration's cross-Straight policies. This approach extended to her boss, President Chen, as well. In a press interview one month after his inauguration in 2000, President Chen said that the new government might accept the 1992 consensus of "one China with different interpretations." The next day, the newly appointed Tsai denied the possibility commenting that there had never been any consensus. Despite this incident, Chen kept her on as MAC Chair until the end of his first term. She is likely to be a strong supporter and effective advocate of the President's policies constraining cross-Straight relations and other issues.

¶18. (C) AIT/T has had regular contact with Tsai Ing-wen on economic, political and cross-Straight issues (ref B). She is a savvy insider on formulating and implementing policy for the ruling party. She was the DPP campaign manager for the December 3 elections in Taipei County. As Vice Premier, we expect her to be consistently well informed on issues and very clear about the policy positions that the Chen Administration will stake out. She is the kind of lawyer most skilled at finding reasons not to do things. As the person who started Taiwan's push for a Free Trade Agreement with the U.S., we can expect that she will continue this effort and push even harder in light of the July 2007 expiration of trade negotiating authority.

¶19. (U) Tsai is 50 years old and single with no children. She speaks excellent English.

